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No. 73-1480

In the

Supreme Court of the United States

OCTOBER TERM, 1973

DONALD M. UMPHREY and
DOUGLAS J. MARSDEN,

Petitioners,

vs.

McGRAW-EDISON COMPANY,

Respondent.

RESPONDENT'S BRIEF IN OPPOSITION TO PETITION FOR CERTIORARI

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This brief is presented on behalf of respondent, McGraw-Edison Company, in opposition to the Petition for Certiorari.

REFERENCE TO EARLIER OPINIONS

In 1969, the district court held in accordance with decisions than accepted as the law, that defendant, as licensee, could not challenge the validity of the patent in suit. *Umphrey* v. *McGraw-Edison Company,* 234 F.Supp. 75 (N.D. Ill., 1969). The subsequent decisions of the District Court and the order of the Court of Appeals are unreported but are reproduced in petitioners' appendix to which reference will be made.

JURISDICTION

The petition was not timely filed since Rule 22(3) and the Statute to which it refers, 28 U.S.C. 2101, gives peti-

tioner only ninety (90) days after the date of entry of judgment (December 14, 1973) in which to file a Petition For Certiorari. No extensions of time were sought or granted. The petition was not served until April 1, 1974 and was not docketed until April 4, 1971.

RESPONDENT'S STATEMENT OF THE CASE

The action was filed in 1968 as an action for royalties under a 1958 Patent License Agreement by which the petitioners, Umphrey and Marsden, (Umphrey) granted to respondent, McGraw-Edison Company (McGraw) an exclusive license relating to a patent application filed February 11, 1957 entitled "High Tension Oil Switch" and which issued as U.S. Patent 2,909,633 to Umphrey.

After the decision of this Court in *Lear Inc.* v. *Adkins*, 395 U.S. 653 (1969), the district court reinstated McGraw's counterclaim and acknowledged that the substantive issue was one of patent infringement.

By a Pretrial Order of the District Court, the testimony of skilled technical experts for both parties was received in the form of extensive written statements. Those statements were supplemented by transcripts of deposition cross-examination. All form part of the extensive documentary record which was before the Court of Appeals.

There were no disputed issues of fact as to the structure and operation of the accused McGraw circuit breakers and the prior art circuit breakers. Rather, the principal dispute related to the interpretation of the patent in suit and the meaning of the four asserted patent claims (claims 1, 2, 6 and 7) in light of the prior art, the file history of the patent in suit before the United States Patent Office and the admissions of the petitioners and their technical expert.

ARGUMENT

The Court of Appeals correctly held that patent claim interpretation was a matter of law within its purview in view of the failure of the District Court to conform to the requirements of this Court:

> "The question here, however, essentially of construction of the patent claims, is a question of law rather than fact, and it is our best judgment that a proper construction requires a decision that the accused devices do not infringe." (B-27)

The District Court failed to make the *Graham* analysis prescribed by this Court in *Graham* v. *John Deere Co.*, 383 U.S. 1, 17 (1965):

> "• • • under §103, the scope and content of the prior art are to be determined; differences between the prior art and the claims at issue are to be ascertained; and the level of ordinary skill in the pertinent art resolved. Against this background, the obviousness or non-obviousness of the subject matter is determined. • • •".

The Court of Appeals specifically corrected such error and properly responded to the requirements of this Court when it specifically stated in its Order:

> "McGraw asserts that the District Court failed to make the *Graham* analysis required in considering whether the subject matter would have been obvious. In fact, no such analysis appears in the opinion, findings or conclusions filed by the District Court. See *Graham* v. *John Deere Co.*, 383 U.S. 1, 17; *Gass* v. *Montgomery Ward & Co.*, 387 F.2d 129 (7th Cir., 1967); *Rockwell* v. *Midland-Ross Corporation*, 438 F.2d 645 (7th Cir., 1971)." (B-17)

While the District Court Decision purported to make "findings" in support of its erroneous conclusions, the Court of Appeals specifically noted the inadequacy and ineffectiveness of such findings in view of the District Court failure to make the *Graham* analysis:

> "The court made a finding that the combinations claimed in the '633 patent were not anticipated, and a conclusion that the claims are valid. The court did not expressly address the question of obviousness." (B-22)

The Court of Appeals further noted that the ultimate issue of the case did not rest on the findings of fact which were made by the District Court:

> "If the resolution of the ultimate issue rested upon critical findings of fact made by the District Court, the not-clearly-erroneous standard of Rule 52(a), F.R.Civ.P. would apply." (B-27)

Therefore, since there was no attempt to violate §52(a) F.R.Civ.P., the Court of Appeals correctly followed the "documentary rule" which it has similarly followed in multiple cases without any criticism or disapproval by this Court:

Deep Welding, Inc. v. *Sciaky Bros. Inc.*, 417 F.2d 1227 (C.A. 7, 1969);
Peckat Mfg. Co. v. *Jacobs*, 178 F. 2d 794, 802 (C.A. 7, 1949);
Armour v. *Wilson*, 274 F.2d 143, 152, 156 (C.A. 7, 1960);
Taylor-Reed Corporation v. *Mennen Food Products*, 324 F.2d 108, 111 (C.A. 7, 1963).
Falkenberg v. *Golding et al*, 195 F.2d 482, 486 (C.A. 7, 1952);
Devex et al. v. *General Motors et al*, 321 F.2d 234, 239 (C.A. 7, 1963).

There is no reason why this Court should again re-hash the entire documentary record developed below.

THE TESTS OF INVENTION LAID DOWN IN GRAHAM v. JOHN DEERE CO. BY THIS COURT HAVING BEEN OMITTED BY THE DISTRICT COURT WERE CORRECTLY ASCERTAINED AND APPLIED BY THE COURT OF APPEALS.

The simple issue here, as below, involves whether each of the patent claims 1, 2, 6 and 7 are infringed by the manufacture, use and sale of the McGraw AHJ and HF circuit breakers, when such claims are interpreted under the tests of invention required by the *Graham* analysis and by the tests of invention specified by this Court in *Graham* v. *John Deere,* supra.

The articulate decision of the Court of Appeals satisfies the most exacting scrutiny. As evidenced by that Order consisting of eleven single-spaced typed pages, the Court of Appeals made a detailed study of all of the evidence contained in the documentary record pertaining to the engineering science of current interruption of high voltages prevailing in high tension electrical transmission circuits. The Court properly concluded that there were significant differences between the accused circuit breaker devices of McGraw and the claims of the Umphrey patent:

> "Differences between the accused devices and the claims, arguably existing and significant, are:
>
> (1) The nozzle in the accused device, and the area through which it impels a stream of oil, even if the latter be deemed an exhaust passage, are not formed within the interrupter structure;
>
> (2) There are ports in the interrupter structure in the accused device into which no stream of oil is impelled from outside the arc chamber;

(3) When a stream of oil enters the port in the accused device, it impels oil transversely through the arc chamber and out of the interrupter through the port on the opposite side." (B-22)

Those differences are analyzed in appropriate detail in the Order of the Court of Appeals. No useful purpose would be served by having this Court conduct an engineering review for the sole purpose of confirming the engineering detail of the bulky documentary record.

THE COURT OF APPEALS ALSO PROPERLY CORRECTED THE FAILURE OF THE DISTRICT COURT TO APPLY THE LAW OF FILE WRAPPER ESTOPPEL.

The District Court not only failed to make the *Graham* analysis, but completely misapprehended the McGraw-Edison defense as is evident by complete omission of any reference to "file wrapper estoppel" or "disclaimer". For example, note the following quotation from the District Court opinion:

(B-7) "The gist of the counterclaim is also the central contention of the McGraw-Edison defense. It is that the Umphrey patent in question was and is directed to and applicable only to a 'minimum oil' type breaker, as distinguished from the tank type breakers claimed to be the infringing devices."

The Court of Appeals also properly corrected such error by recognizing in its written order the doctrine of "file wrapper estoppel" and the law of disclaimer:

(B-25) "Rule 203(b) of the Patent Office provides that when a claim is so suggested for interference purposes, the applicant's failure to make the claim is a disclaimer of the invention covered by that claim.

"Umphrey did not make the suggested claim, but in his response asserted, among other things, that he 'does not employ an arc-quenching stream of oil moving *transversely* across the arc . . .'. He pointed out, further, that his 'apparatus does not have a non-return valve, and that the fact that one is unnecessary is one of the great advantages of his apparatus, thus emphasizing the concept of projecting a stream of oil across an essentially unconfined space, referred to above. Whether or not the absence of the latter concept from the suggested claim makes the doctrine of file wrapper estoppel less than conclusive on the issue of infringement in the present case, his disclaimer at least tends strongly to support the construction that the impelling of oil transversely across the arc was excluded from any combination he claimed."

It is well settled that the Rules of Practice in the Patent Office, when not inconsistent with the statutes from which they are derived, have the force and effect by law. *In re Kaghan,* 55 CCPA 844, 387 F.2d 398, 156 U.S.P.Q. 130; *In re Hession, Jr.,* 49 CCPA 809, 296 F.2d 930, 132 U.S.P.Q. 40; *Land* v. *Dreyer,* 33 CCPA 1108, 155 F.2d 383, 69 U.S.P.Q. 602; *In re Newton,* 163 U.S.P.Q. 34 (CCPA, 1969).

SUMMARY

Suffice it to say that the Court properly followed all of the long-standing principles of law prescribed by this Court:

> . . . It is the patent claim which singles out from the complex disclosed those elements which constitute the "the invention" *Claude Neon Lights, Inc.* v. *E. Machlett & Son* (2 C.A., 1929), 36 F.2d 574, 575-576, cert. den. (1928); 278 U.S. 634, 49 S.Ct. 32, 73 L.Ed. 551 and (1930), 281 U.S. 741, 50 S.Ct. 347, 74 L.Ed. 1155.

. . . "nothing can be held to in infringement which does not fall within the terms the patentee has himself chosen to express his invention" *McClain* v. *Ortmayer,* (1891), 141 U.S. 419, 12 S.Ct. 76, 35 L.Ed. 800.

. . . "The Public has the undoubted right to use, and it is to be presumed does use, what is not specifically claimed in the patent." *Mahn* v. *Harwood* (1884), 112 U.S. 354, 361, 5 S.Ct. 174, 178, 28 L.Ed. 665.

. . . Patent Office Rules have the effect of law and Rule 203(b) of the Patent Office provides that when a claim is suggested for interference purposes, the applicant's failure to make a claim is a disclaimer of the invention covered by that claim. *In re Newton* (CCPA, 1969), 163 USPQ 34, 39.

. . . "What the patentee • • • has disclaimed • • • cannot now be regained by recourse to the doctrine of equivalents • • •". *Exhibit Supply Co.* v. *Ace Patents Corporation* (1942), 315 U.S. 126, 62 S.Ct. 513 (at page 519), 86 L.Ed. 736, rehearing den. (1942) 315 U.S. 828, 62 S.Ct. 792, 86 L.Ed. 1223.

. . . Combination patent claims should be scrutinized "with a care proportioned to the difficulty and improbability of finding invention in an assembly of old elements". *A & P Co.* v. *Supermarket Inc.,* 340 U.S. 147 (1950).

. . . Patentability is dependent upon three explicit conditions: novelty and utility as articulated and defined in §101, and §102, and non-obviousness, the new statuory formulation, as set out in §103" *Graham* v. *John Deere Co.,* 383 U.S. 1. (1965)

. . . The test of validity of a combination patent is the presence of a "synergistic result" whereby "a combination of elements may result in an effect greater than the sum of the several effects taken separately." *Anderson's Black Rock Inc.* v. *Pavement Salvage Co.,* 396 U.S. 57 (1969).

The complete absence of a significant federal question warranting the supervisory intervention of this Court marks the petition as deserving of prompt denial. Favorable consideration to that end is earnestly solicited.

Respectfully submitted,

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